Article - Estates and Trusts

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§14–303.

(a) In the administration of any trust which is a "private foundation," as defined in § 509 of the Internal Revenue Code, a "charitable trust," as defined in § 4947(a)(1) of the Internal Revenue Code, or a "split–interest trust," as defined in § 4947(a)(2) of the Internal Revenue Code, the acts specified in this section are prohibited.

(b) It is unlawful to engage in any act of "self–dealing," as defined in § 4941(d) of the Internal Revenue Code, which would cause any tax liability under § 4941(a) of the Internal Revenue Code.

(c) It is unlawful to retain any "excess business holdings," as defined in § 4943(c) of the Internal Revenue Code, which would cause any tax liability under § 4943(a) of the Internal Revenue Code.

(d) It is unlawful to make any investment which would jeopardize the carrying out of any exempt purposes under § 4944 of the Internal Revenue Code and cause any tax liability under § 4944(a) of the Internal Revenue Code.

(e) It is unlawful to make any "taxable expenditures," as defined in § 4945(d) of the Internal Revenue Code, which would cause any tax liability under § 4945(a) of the Internal Revenue Code.

(f) This section does not apply to any part of a split–interest trust which is not subject to the prohibitions applicable to private foundations because of the provisions of § 4947 of the Internal Revenue Code.

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